Smith+Nephew

Focus on Innovation
Forward looking statements and non-IFRS measures

This document may contain forward-looking statements that may or may not prove accurate. For example, statements regarding expected revenue growth and trading margins, market trends and our product pipeline are forward-looking statements. Phrases such as "aim", "plan", "intend", "anticipate", "well-placed", "believe", "estimate", "expect", "target", "consider" and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from what is expressed or implied by the statements. For Smith+Nephew, these factors include: risks related to the impact of COVID-19, such as the depth and longevity of its impact, government actions and other restrictive measures taken in response, material delays and cancellations of elective procedures, reduced procedure capacity at medical facilities, restricted access for sales representatives to medical facilities, or our ability to execute business continuity plans as a result of COVID-19; economic and financial conditions in the markets we serve, especially those affecting health care providers, payers and customers (including, without limitation, as a result of COVID-19); price levels for established and innovative medical devices; developments in medical technology; regulatory approvals, reimbursement decisions or other government actions; product defects or recalls or other problems with quality management systems or failure to comply with related regulations; litigation relating to patent or other claims; legal compliance risks and related investigative, remedial or enforcement actions; disruption to our supply chain or operations or those of our suppliers (including, without limitation, as a result of COVID-19); competition for qualified personnel; strategic actions, including acquisitions and dispositions, our success in performing due diligence, valuing and integrating acquired businesses; disruption that may result from transactions or other changes we make in our business plans or organisation to adapt to market developments; and numerous other matters that affect us or our markets, including those of a political, economic, business, competitive or reputational nature. Please refer to the documents that Smith+Nephew has filed with the U.S. Securities and Exchange Commission under the U.S. Securities Exchange Act of 1934, as amended, including Smith+Nephew's most recent annual report on Form 20-F, for a discussion of certain of these factors. Any forward-looking statement is based on information available to Smith+Nephew as of the date of the statement. All written or oral forward-looking statements attributable to Smith+Nephew are qualified by this caution. Smith+Nephew does not undertake any obligation to update or revise any forward-looking statement to reflect any change in circumstances or in Smith+Nephew's expectations. The terms ‘Group’ and ‘Smith+Nephew’ are used for convenience to refer to Smith & Nephew plc and its consolidated subsidiaries, unless the context requires otherwise.

Certain items included in ‘trading results’, such as trading profit, trading profit margin, tax rate on trading results, trading cash flow, trading profit to cash conversion ratio, EPSA, leverage ratio, and underlying growth are non-IFRS financial measures. The non-IFRS financial measures in this announcement are explained and reconciled to the most directly comparable financial measure prepared in accordance with IFRS in our Second Quarter and First Half 2020 Results announcement dated 29 July 2020.
Focus on Innovation

Roland Diggelmann
Chief Executive Officer
Agenda

Focus on Innovation
Roland Diggelmann

Real Intelligence
Skip Kiil

CORI Surgical System
RI.HIP
Vasant Padmanabhan

Enabling Technology in Sports Medicine
Brad Cannon

INTELLIO Connected Tower
Vasant Padmanabhan
Delivering on strategic imperatives

Achieve the full potential of our portfolio
Transform the business through enabling technologies
Expand in high-growth segments
Strengthen talent and capabilities
Become the best owner

GROW
TOGETHER
EFFECTIVELY
Commitment to innovation

Expand in high growth segments

Increase R&D investment

External innovation: Continue with M&A

Key regulatory clearances

R&D as % of sales

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>4.7%</td>
<td>4.8%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

Medium term

*R&D as % of sales excludes non-trading items

Product tuck-in acquisitions

Digital technology acquisitions

Key regulatory clearances
Aligning innovation with key market trends

Outpatient/ASC

Outcomes

Lower costs

Episode of care

*Based on a Markov model of 100 patients, revision rates based on: a retrospective, multi-center study, n=128 for NAVIO™ Surgical System; UK NJR data for non-robotics assisted procedures
New generation of enabling technologies

Transform the business through enabling technologies

**CORI**
- Small footprint suitable for all OR settings
- Increased efficiency with faster, accurate resection
- Scalable, modular design for further applications

**RI.HIP**
- Express workflow and image-free technology
- Reproducible results of software guided surgery
- Access to performance of POLAR3 for navigation customers

**INTELLIO Connected Tower**
- Improved OR efficiency with connectivity and remote control
- Cloud-based solution for capturing and sharing patient data
- Bringing digital surgery into Sports Medicine
Real Intelligence

Skip Kiil
President, Orthopaedics
Real Intelligence
There’s nothing artificial about our intelligence
Our vision

How we reimagine surgery with innovation and technology.

A symphony of software solutions, hardware and data analytics that harmonizes human and machine, like never before.

Seamless, more intuitively connected technology that pushes the limits of human endeavor and amplifies surgical excellence.

Our goal

Changing the face of Orthopaedics with enabling technology.
There’s nothing artificial about our intelligence.

The vision of how Smith+Nephew thinks, innovates, and reimagines surgery.

A strategy that embraces robotics, software, smart tools, and data to improve outcomes.

A digital ecosystem that creates a seamless connection through the continuum of care.
What are we building?

- Connected ecosystem of clinical solutions
- Enables analytics of products, techniques, and outcomes that are not currently available
- Our portfolio will be optimized through data and science
- Continuum of care and outcomes data has the potential to transform joint arthroplasty
Robotics and digital surgery ecosystem

Digital OR for connected data flow integrated with EHR

CORI Core of Real Intelligence

Augmented reality to enhance intra-operative care using digital surgery

Artificial intelligence for optimized patient journey

Next generation arm, handheld robotics, smart tools.
CORI Surgical System
RI.HIP

Vasant Padmanabhan
President, Research & Development
Smith+Nephew robotics
Improved outcomes for patients, surgeons, and payers

Compelling Clinical Evidence:

- Improved Patient Reported Outcomes$^{2,3}$
- Significantly shortened length of stay$^4$ and could be discharged in less than 24 hours$^5$
- Significantly faster return to sport$^2$
- Cost reduction through avoided revision$^6$
- High survivorship of 99.2% at 2 years$^{7,††}$

*With the use of the handpiece  **Compared to conventional techniques  † when used in conjunction with correct patient selection and education; n=11, retrospective analysis of UKA patients  †† As compared to conventional UKA in joint registries. Based on data gathered between 1999-2019 from Australia, New Zealand and United Kingdom 1-7. References in appendix on slide 37
Say ‘Hi’ To CORI◊


- FDA clearance February 2020
- Launched July 2020
- First ROW cases August 2020

*compared to NAVIO® Surgical System.
Smarter*

- Intelligent platform supports robotics, software, smart tools and data.

- Enhanced robotic software solution that delivers:
  
  **Image-free smart mapping**
  
  **Real-time planning and gap assessment**
  
  **Optimized* alignment and balance**

- Surgeon-controlled, handheld intelligence for a modern robotic approach.

*compared to NAVIO® Surgical System.
More Efficient

- Advanced tracking system

458% (~5x) faster refresh rate*¹

Designed specifically for robotic-assisted surgery

Enhanced robotic knee workflow that saves time in the O.R.

*compared to NAVIO® Surgical System.
Handheld Robotics

- Portable hand-held robotics with the smallest footprint in orthopaedics†
- Redesigned robotic handpiece with improved ergonomics*¹

29% faster cutting time with the CORI bur**¹
Cut more in less time**¹

†compared to MAKO and ROSA
*compared to NAVIO™ Surgical System. **Compared to NAVIO Handheld Robotics, as demonstrated in total knee cadaver studies
¹ Data on file with Smith+Nephew and NAVIO technical specification comparison. March 2020. Internal Report ER0488 REVB.
Handheld robotics
Precision milling*¹, with faster burs

- **2X cutting volume*¹**
- Requires fewer passes
- 2x longer “Throw” for easier bone resection*
- Leaves smoother surface

*compared to NAVIO Surgical System, CORI*¹
RI.KNEE applications for robotics (2020)

- Knee robotics
  - TKA
- Knee robotics
  - UKA
- Knee robotics
  - TKA XR

CORI° Surgical System
Sizing up the competition
Portable robotics with the smallest footprint in orthopaedics

Transportation Case for hospital to hospital or ASC

Portable cart for OR to OR

Integrated OR

RI.KNEE and RI.HIP on Kick platform

- **RI.KNEE**
  - Software-guided TKA

- **RI.HIP**
  - Software-guided THA
  - Launched July 2020

*Integrating software with CORI in 2021*
RI.KNEE and RI.HIP applications (2021)

**RI.KNEE**
Software-guided TKA

**RI.HIP**
Software-guided THA

**RI.KNEE**
Robotic-assisted UKA, TKA, Revision and XR

CORI° Surgical System
Enabling technology in Sports Medicine

Brad Cannon
President, Sports Medicine & ENT
Sports Medicine portfolio

**Restore**
Life Unlimited

**Repair**
Elevating Standard-of-Care

**Enable**
Increasing Value of the Tower

Sports Medicine Joint Repair

Arthroscopic Enabling Technologies
**Disruptive innovation to transform the Tower**

**Next generation Tower**

- Spans applications across sports medicine & orthopedic procedures
- Provides **intelligent integration** of tower devices to drive OR efficiency & outcomes
- Supports **Visualization, Navigation, Robotics, and AI** for a seamless environment
- **Cloud technology** to enhance planning, communication, and data integration
Installed base positions S+N for growth

Over 5,000 S+N Towers Installed in Arthroscopic Suites Across Top 10 Markets
INTELLIO Connected Tower

Vasant Padmanabhan
President, Research & Development
Sports Medicine Arthroscopic Tower

Visualization
+ Mechanical Resection
+ COBLATION° Technology
+ Fluid Management

Recent launches

LENS 4K Surgical Imaging System
DYONICS° PLATINUM Series Blades
COBLATION FLOW90° Wand
INTELLIO Connected Tower Solution
Helping surgeons reach new heights in efficiency

MY.INTELLIO◊ Cloud
Secure storage of patient images and video captured during cases
Disruptive innovation to transform the Tower

Next generation Tower

• Spans applications across sports medicine & orthopedic procedures

• Provides intelligent integration of tower devices to drive OR efficiency & outcomes

• Supports Visualization, Navigation, Robotics, and AI for a seamless environment

• Cloud technology to enhance planning, communication, and data integration
Summary
References for slide 16, evidence relates to NAVIO Surgical System:


4. Shearman AD, Sephton B, Nathwani DK. Robotic-assisted unicompoylar knee arthroplasty is associated with earlier discharge from physiotherapy and reduced length of stay compared to conventional navigated techniques. Abstract number O71 presented at: European Knee Society; May 2-3, 2019; Valencia, Spain.

5. Sephton BM et al. Achieving discharge within 24 h of robotic unicompartmental knee arthroplasty may be possible with appropriate patient selection and a multi-disciplinary team approach. J Orthop. 2020;19:223-228
